

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF HIGHLAND TELEPHONE )  
COOPERATIVE TO CONSIDER CHANGES WITH )  
RESPECT TO THE EXPENSING OF STATION ) CASE NO. 8632  
CONNECTIONS RESULTING FROM THE AMEND- )  
MENT OF THE UNIFORM SYSTEM OF ACCOUNTS)

O R D E R

IT IS ORDERED that Highland Telephone Cooperative shall file an original and six copies of the following information with the Commission by October 28, 1982. If the information requested or a motion for an extension of time is not filed by the stated date, the Commission may dismiss the case without prejudice.

1) Provide a revised 4 year impact statement (page 2 of the application) as the impact statement currently on file is not filled out properly. Figures on line 8 of the filed statement "for new depreciation, SC-I" have no meaning as they are additions of the two methods (they should properly show the difference between the two methods). Figures on line 9 are the correct figures for line 8, while line 9 should show the difference between the old method and the new (line 8 minus line 3). As this error effects the total impact, please recompute the statement and inform the Commission of any other changes which

are necessary because of these corrections. Provide these figures for Kentucky operations only if available.

2) Provide an explanation for the depreciation expense calculation for account 232 on page 2 of the application. Is 5 percent the rate used? If so, how is this figure reconciled to the 8 percent figure listed as depreciation charged on page 31 of the 1981 annual report? Also, describe the method used to compute depreciation expense in years 2, 3 and 4.

3) Line no. 4 of page 2 (embedded SC-I times 10 percent) is listed as \$42,573. This figure is the investment in inside wiring less accumulated depreciation reserve. The figures provided on the first page show investment (\$551,719) less accumulated reserve (\$124,392) equal to \$427,327; 10 percent of which is \$42,732. As this figure differs from the \$42,573 presented on line 4, explain the computation of the \$42,573 and reconcile the difference.

4) Explain why there are no figures included for cost of removal or cost of reconnects and reinstalls.

5) Total station connections were \$260,794 for 1980 and \$301,157 for 1981, according to the annual reports. However, the application projects total connections of \$167,350 each year. Provide an explanation why projected connections are substantially less than actual connections for the past two years.

6) Provide a billing analysis in sufficient detail to show revenue effects of existing and proposed charges for station connections.

IT IS FURTHER ORDERED that Highland's tariff filing to implement increased service connection and other charges is hereby suspended for a period of 5 months from the proposed effective date of October 1, 1982, in order to allow the Commission statutory time in which to consider the application. The suspension shall apply as follows:

Highland Telephone Cooperative, Inc.

General Exchange Service Tariffs

Part II

Service Connection Charges

Original Sheet 8R  
Original Sheet 9R

Inside Moves and Changes

Original Sheet 12R  
Original Sheet 13R

Miscellaneous Service and Facilities

Original Sheet 18R  
Original Sheet 20R  
Original Sheet 23R  
Original Sheet 24R  
Original Sheet 27R

IT IS FURTHER ORDERED that nothing contained herein shall prevent the Commission from entering further Orders concerning Highland's tariff filing, in the event that proceedings are concluded by final order or otherwise prior to the end of the period of suspension.

Done at Frankfort, Kentucky, this 29th day of September,  
1982.

PUBLIC SERVICE COMMISSION

ATTEST:

  
For the Commission

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Secretary